

CHICAGO AND



TRANSPORTATION COMPANY

February 14, 1977

BY MESSENGER

BERNARD J. ALLEN  
DIANE KOHLER-RAUSCH  
JOAN A. SCHRAMM  
ASSISTANT SECRETARIES

DIRECT DIAL NUMBER  
312/454-6534

RECORDATION NO. 8078-A Filed & Recorded

FEB 15 1977 10 25 AM

INTERSTATE COMMERCE COMMISSION

Interstate Commerce Commission  
Washington, D. C. 20423  
Attn: Mr. Robert L. Oswald, Secretary

Gentlemen:

Please refer to Equipment Lease (Lease No. 90868) dated as of July 29, 1975 between Chandler Leasing Corporation and the Chicago and North Western Transportation Company, filed pursuant to Section 20c of the Interstate Commerce Act, as amended, and assigned Recordation No. 8078 on October 14, 1975.

Enclosed are four original counterparts and four certified copies of Amendment Agreement to the above-mentioned Equipment Lease for recording.

Please return the four original counterparts, along with two certified copies of this document, bearing your recordation data. You may keep two certified copies for your files.

A check for your recordation fee of \$10.00 is also enclosed.

Very truly yours,

*Diane Kohler-Rausch*

Diane Kohler-Rausch  
Assistant Secretary

dk:db

cc: Z. Steiger\*

R. L. Schardt\*

F. E. Cunningham, Attn: H. Labno\*

R. F. Guenther, Attn: J. James\*

D. E. Stockham, Attn: R. S. Brenner\*

\*with copy of document

7-0468018  
FEB 15 1977  
10

FEB 15 1977  
FEE COLLECTED

**Interstate Commerce Commission**  
**Washington, D.C. 20423**

**2/15/77**

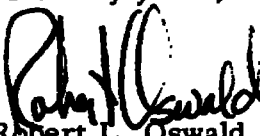
**OFFICE OF THE SECRETARY**

**Diane Kohler-Rausch**  
**Chicago & North Western Transp. Co**  
**400 W. Madison Street**  
**Chicago, Illinois 60606**

**Dear Mrs Kohler-Rausch:**

The enclosed document(s) was recorded pursuant to the  
provisions of Section 20(c) of the Interstate Commerce Act,  
49 U.S.C. 20(c), on **2/15/77** at **10:55am**  
and assigned recordation number(s) **8078-A**

Sincerely yours,

  
**Robert L. Oswald**  
**Secretary**

**Enclosure(s)**

2 PAYEE

CHICAGO AND  
NORTH WESTERN  
TRANSPORTATION COMPANY

REMITTANCE REPORT

STOCK CODE 06310  
REV. 12-75

VENDOR NUMBER

40 No. 120536  
C. D. Keller Hand

Interstate Commerce Commission

REGISTRATION NO. FEB 15 1977-10

INTERSTATE COMMERCE COMMISSION

PARTICULARS:

10.00

AMOUNT

Washington D.C. 20423

Fee for filing Amendment to Equipment  
Serial dated 7/29/75 W/I.C.C.

UN

**CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY**

FORM 1632T REV.

CASH DISCOUNTS ALLOWED  
HAVE BEEN DEDUCTED  
FROM THE AMOUNT OF  
EACH ITEM LISTED.

THIS PAYMENT IS IN FULL  
SETTLEMENT OF THE CLAIM  
OR ACCOUNT LISTED.

CHECK NUMBER
<b>5-70201-90005</b>

PAYEE WILL PLEASE RETAIN THIS STATEMENT

REFERENCE	NET AMOUNT
0120536	10.00
TOTAL	*****10.00



AMENDMENT AGREEMENT

8078-A  
FEB 15 1977

AMENDMENT AGREEMENT  
Amendment Agreement dated as of February 10, 1977, between Chandler Leasing Corporation (formerly PepsiCo Leasing Corporation) (hereinafter called "Lessor"), a Delaware corporation having its principal place of business at 105 West Adams Street, Chicago, Illinois 60603, and Chicago and North Western Transportation Company (hereinafter called "Lessee"), a Delaware corporation having its principal place of business at 400 West Madison Street, Chicago, Illinois 60606, amending Equipment Lease Number 90868 dated as of July 29, 1975 (hereinafter called the "Lease").

In consideration of the mutual covenants herein contained, Lessor and Lessee agree to amend the Lease as follows:

1. Section 2 of the Lease is hereby amended to read as follows:

"2. Agreement for Lease of Equipment. Lessor shall acquire and lease to Lessee and Lessee shall lease from Lessor, Equipment having an aggregate Acquisition Cost of approximately Two Million, Three Hundred Seventy-Five Thousand Dollars (\$2,375,000) in the manner and upon the terms and conditions specified in this Equipment Lease, provided that the Equipment can be obtained. Lessee shall evidence its request to Lessor to order Equipment for lease to Lessee hereunder by executing and delivering a Rental Schedule, for such Equipment to Lessor. Lessee's execution of such Rental Schedule shall obligate Lessee to lease the Equipment described therein from Lessor upon the acceptance of such Equipment by Lessee for lease hereunder. Anything hereinbefore or hereinafter to the contrary notwithstanding (A) Lessor shall have no obligation (i) to acquire and lease to Lessee any unit of Equipment to be delivered in 1975 if, in Lessor's opinion, there is a material, adverse change in Lessee's financial condition from the financial condition of Lessee disclosed in the most current financial statement of Lessee submitted to Lessor pursuant to Section 22 of the Lease, or if an Event of Default has occurred and is continuing hereunder, or (ii) to acquire and lease to Lessee any unit of Equipment which has not been accepted by Lessee for lease hereunder by March 31, 1977, or any unit of Equipment the acquisition of which would cause the total aggregate Acquisition Cost of all Equipment leased or to be leased hereunder to exceed Two Million, Three Hundred Seventy-Five Thousand Dollars (\$2,375,000), or (iii) to acquire and lease any unit of Equipment to be delivered in 1975 if each of the conditions specified in Subparagraphs (a) through (f) of Paragraph 2 of that certain Purchase Order Assignment, Assumption and Consent Agreement, dated as of July 29, 1975, among Lessor, Lessee, Whitehead & Kales Co. and North Western Leasing Company have not been satisfied, or (iv) to acquire and lease any unit of Equipment to be acquired in 1977 except upon the conditions specified in Section 2 of that certain Purchase Order Assignment, Assumption and Consent Agreement

among Lessor, Lessee, and Whitehead & Kales Co. dated as of February 10, 1977, as therein provided, or (v) to accept any Rental Schedule from Lessee or to issue any purchase order for any such Equipment if, in Lessor's opinion, the benefits that would have been available to Lessor as the owner of such Equipment are adversely affected by any amendment(s) to the Internal Revenue Code of 1954, as amended, unless the rental provided for in Section 6 hereof is increased by an amount mutually agreed upon in writing; and (B) in the event that for any reason specified or referred to in clauses (i) through (v) of this Section 2, Lessor fails to purchase any unit of Equipment, Lessee shall indemnify Lessor from and against the payment of any and all liabilities, damages, causes of action, costs and expenses arising out of or resulting from the failure of Lessor to purchase any unit of Equipment as aforesaid."

2. Section 5 of the Lease is hereby deleted in its entirety and the following new Section 5 is substituted therefor:

"5. Lease Term. The lease term of each unit of Equipment shall commence on the Lease Commencement Date thereof, and shall, unless sooner terminated pursuant to the provisions of Sections 14, 18 or 19 hereof, or extended for the additional period, if any, specified in this Lease, be for the number of full quarters set forth with respect to such Equipment on Exhibit "A" hereto, plus the number of full or partial quarters set forth and described in Section 6(d) of the Lease with respect to (and only with respect to) the Equipment described on said Exhibit "A" as "New Radial End Door Assemblies", plus the number of days remaining in any partial first month if the Lease Commencement Date of such Equipment occurs on other than the first day of a month. If the Lease Commencement Date of any Equipment occurs on other than the first day of a calendar month, the first full quarter of the lease term of such Equipment shall commence on the first day of the next succeeding calendar month. Notwithstanding the foregoing, the provisions of Section 11 of the Lease shall apply as between Lessor and Lessee with respect to any Equipment from the time the Equipment is ordered by Lessor. Lessee hereby authorizes Lessor to insert the Lease Commencement Date for any unit of Equipment on the Rental Schedule therefor when such unit has been accepted by Lessee for lease hereunder. The words "lease term" wherever used in this Lease shall include (a) any additional lease term specified in Section 6(d) hereunder, and (b) any agreed upon extension of the Lease pursuant to Section 25 hereunder."

3. Section 6 of the Lease is hereby amended by adding the following new subsection 6(d) immediately following subsection 6(c) of the Lease:

"(d) With respect to (and only with respect to) each unit of Equipment described on Exhibit "A" attached hereto as "New Radial End Door Assemblies", Lessee shall pay Lessor immediately following the expiration of the number of full quarters of the lease terms specified for such unit of Equipment on said Exhibit "A", quarterly in advance, on the first day of each such following quarter or portion thereof,

additional rent in an amount equal to the product derived by multiplying two percent (2%) by the Acquisition Cost of such unit of Equipment, for an additional lease term equal to the number of full quarters or portion thereof then remaining in the lease term of the Equipment described on said Exhibit "A" as "New Tri-Level Enclosed Auto Racks" to which such unit of Equipment is attached. Such additional rent to be so paid by Lessee for any partial quarter shall be in an amount obtained by dividing the amount of the quarterly rent payable for such Equipment by ninety (90) and multiplying the quotient by the number of days in such partial quarter."

4. Section 25 of the Lease is amended by deleting the first complete sentence thereof and by substituting therefor the following sentence:

"Lessee, may, at its option, elect to extend the lease term of not less than all of the Equipment then leased hereunder, upon the expiration of both the number of full quarters thereof specified on Exhibit "A" attached hereto and the number of full or partial quarters thereof specified in Section 6(d) hereof with respect to Equipment described on said Exhibit "A" as "New Radial End Door Assemblies", for up to two (2) extensions of one (1) year each, and for a rental payable quarterly in advance, on the first day of each quarter, in an amount equal to the then fair rental value for all of such Equipment."

5. Section 26 of the Lease is amended by deleting therefrom the date "December 31, 1976" in the eighth (8th) line of the second paragraph thereof, and by substituting therefor the date "December 31, 1977".
6. Exhibit "A" to the Lease is hereby amended by deleting said Exhibit "A" from the Lease and by substituting therefor a new Exhibit "A" attached hereto and made a part hereof.
7. The Lease is hereby further amended by adding thereto the additional Schedule of Stipulated Loss Values attached hereto and made a part hereof, which Schedule is applicable to Equipment of the following type: New Radial End Door Assemblies attached to Tri-Level Enclosed Auto Racks.
8. Except as amended hereby, the terms, conditions and provisions of the Lease shall remain unchanged, and, as amended hereby, the Lease shall continue in full force and effect in accordance with its terms.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Amendment Agreement to be signed in their respective names by their duly authorized officers as of the date first above written.



CHANDLER LEASING CORPORATION (Lessor)

ATTEST:

*Lawrence E. Taylor, Jr.*  
Secretary-Lawrence E. Taylor, Jr.  
(corporate seal)

By

*L. M. Christie*  
Authorized Signature-L. M. Christie

Its

*V. P.*  
Title

CHICAGO AND NORTH WESTERN  
TRANSPORTATION COMPANY

ATTEST:

*Diane Kohler-Rausch*  
Assistant Secretary-Diane Kohler-Rausch  
(corporate seal)

By

*J. M. Butler*  
Authorized Signature-J. M. Butler

Its

*Vice President*  
Title

STATE OF ILLINOIS

COUNTY OF C O O K

) ss:  
)

On this 28th day of January, 1977, before me personally appeared J. M. BUTLER to me personally known, who being by me duly sworn, says that he is the Vice President of CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY, that the foregoing instrument was signed on behalf of said Corporation, pursuant to due corporate authority, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notarial Seal

My Commission Expires: Dec. 7, 1977

Marjorie Kayes  
Notary Public  
Marjorie Kayes

STATE OF ILLINOIS

COUNTY OF C O O K

) ss:  
)

On this 10th day of February, 1977, before me personally appeared L. M. CHRISTIE to me personally known, who being by me duly sworn, says that he is the Vice President of CHANDLER LEASING CORPORATION, that the foregoing instrument was signed on behalf of said Corporation, pursuant to due corporate authority, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notarial Seal

My Commission Expires: Oct. 28, 1980

Lawrence M. Taylor, Jr.  
Notary Public  
Lawrence M. Taylor, Jr.

# EXHIBIT "A"

<u>Type of Equipment</u>	<u>Number of Full Quarters of Lease Term</u>	<u>Quarterly Rent (as Percentage of Acquisition Cost)</u>
76 New Tri-Level Enclosed Auto Racks as described on Page 1 of Purchase Order Number 00074 issued by North Western Leasing Company to Whitehead & Kales Co., a copy of which is attached hereto, as Exhibit "A-1", and made a part hereof.	40*	3.621%
152 New Radial End Door Assemblies (clamshell doors) [76 Car sets], described on Purchase Order Number 10510 issued by Chicago and North Western Transportation Company to Whitehead & Kales Co., a copy of which is attached hereto as Exhibit "A-2", and made a part hereof.	32	4.284%
CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY	CHANDLER LEASING CORPORATION (formerly PepsiCo Leasing Corporation)	
By <u>J.M. Butler</u> Authorized Signature - J.M. Butler	By <u>L.M. Christie</u> Authorized Signature - L. M. Christie	
Its <u>Vice President</u> Title	Its <u>V.P.</u> Title	

\* Commencing October 1, 1975

UNITED STATES GOVERNMENT  
 OFFICE OF THE SECRETARY OF DEFENSE  
 WASHINGTON, D.C. 20301-1000

WJALB 12-3-76

*Exhibit A-2*

THIS DOCUMENT CONTAINS NEITHER RECOMMENDATIONS NOR  
 CONCLUSIONS OF THE NATIONAL BUREAU OF STANDARDS  
 AND ITS DIVISIONS. IT IS THE PROPERTY OF THE NATIONAL  
 BUREAU OF STANDARDS AND IS LOANED TO YOUR AGENCY.

WILLIAMS & KALIS CO.  
 501 NORTH ST.  
 CHICAGO, IL 60618

SHIP TO CHICAGO AND TO EASTERN AND CENTRAL CO.  
 CABLE WILLIAMS & KALIS  
 RIVER ROAD, IL

1976 P. M. CUNNINGHAM, AVE CAR  
 DLT.

DATE 2-11-77					ENTER MUST BE FORWARDED IF THIS SHIPPING DATE VALUED TO BE					TERMS net 30				
PAID BY					PAID BY					OTHER TERMS				
WILLIAMS & KALIS CO.					WILLIAMS & KALIS CO.					WILLIAMS & KALIS CO.				
PURCHASE ORDER NO.					REL NO.					VENDOR NO.				
10610														
AREA					FUNCTION					QUANTITY				
00526					1					85539				
DESCRIPTION					UNIT PRICE					TOTAL				
WILLIAMS & KALIS clear hell door,					4,565 0000					CS 76				
including application to C&NW-owned														
fully-enclosed tri-level automobile														
transport rack (CAR SET)														
NOTE: SUBJECT TO THE TERMS & CONDITIONS														
OF OUR LETTERS DATED 11-2-76 &														
11-16-76.														
PRICE FIRM FOR ALL UNITS COMPLETED														
DURING SECOND PHASE OF THE PRODUCTION														
RUN, ENDING ON OR ABOUT 2-11-77.														

IF SALES TAXES ARE APPLICABLE, THIS SPACE MUST SHOW SALES TAX AND TRANSFORMING CHARGES SEPARATELY.														
SALES TAX					INTERSTATE					OTHER				
SALES TAX					INTERSTATE					OTHER				
SALES TAX					INTERSTATE					OTHER				
SALES TAX					INTERSTATE					OTHER				

BY ORDER OF THE SECRETARY OF DEFENSE  
 OFFICE OF THE SECRETARY OF DEFENSE  
 WASHINGTON, D.C. 20301-1000

WILLIAMS & KALIS CO. CHICAGO, ILLINOIS 60618 312/464  
 CHICAGO OFFICE OF THE SECRETARY OF DEFENSE  
 ALL STATE VICE PRESIDENT MATERIALS



GILBERT R. GIBBONS  
ASSISTANT VICE PRESIDENT MATERIALS

TELEPHONE NUMBER  
312/454-6300

November 10, 1976

File: 340

Mr. A. J. Struthers  
Whithead & Kales Company  
52 Halthner Street  
Detroit, Michigan 48213

Dear Mr. Struthers:

This is to confirm your telephone conversation of November 12, 1976, with our Mr. J. S. Johnson regarding the production schedule, price, and installation of end doors for the first 82 racks.

Whithead & Kales agrees to complete installation of doors on a minimum of 71 racks no later than December 31, 1976. Installation of doors on the remaining 11 racks will be made during the first several working days of January, 1977. A firm price of \$4,365 per carset will apply for all of the first 82 units, including those completed in January, 1977.

As a firm delivery schedule is critical to our financing arrangements, please indicate your acceptance of this agreement by signing and returning both the original of this letter (retaining the copy for your files) and the original of my letter of November 2, 1976.

Very truly yours,

G. R. Gibbons  
Assistant Vice President -  
Materials

Accepted:

WHITHEAD & KALES COMPANY

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

CHICAGO AND



TRANSPORTATION COMPANY

GILBERT P. GIBSON,  
ASSISTANT VICE PRESIDENT MATERIALS

DIRECT DIAL NUMBER  
312 454-6300

November 2, 1976

File: 340-WKK Doors

Mr. A. B. Struthers  
Whitcham & Kales Company  
51 Halpin Street  
Detroit, Michigan 48218

Dear Mr. Struthers:

Please refer to your letter of September 23, 1976, to our Mr. J. S. Johnson regarding the installation of Whitehead & Kales design radial end doors on auto racks.

This is to confirm the agreement of North Western Leasing Company to purchase end doors and installation of doors for up to 164 auto racks originally built by Whitehead & Kales Company. Doors are to be installed by Whitehead & Kales, 108 River Rouge, Michigan, at a firm price of \$4,365 per carset for installation completed prior to January 1, 1977, and \$4,565 per carset for installation completed between January 1, 1977, and February 28, 1977. Price includes all materials and labor. It is anticipated that all work will be completed by February 28, 1977, with a daily production rate of up to 4 cars per day.

A North Western Leasing Company purchase order will be provided for this transaction. Invoicing for the first group of 82 cars is to be identified as sold to Borg Warner Leasing Division of B-W Credit Corp. Further details on documentation required for financing the cost of purchase of installation of the end doors for the first 82 racks and subsequent racks will be requested and arranged by our Law Department.

Whitehead & Kales warrants to B-W Credit Corp. (and each other buyer) and to North Western Leasing Company and Chicago and North Western Transportation Company that the end doors as installed on the racks are suitable for the ordinary purposes for which such equipment is used, and that the racks as modified by such installation and as affixed to the flatcars are likewise suitable for the ordinary purposes for which such equipment is used and conform to all Department of Transportation and Interstate Commerce Commission

RECEIVED  
W. & K. CO.

RECEIVED  
W. & K. CO.  
DETROIT

NOV 24 1976

NOV 5 1976

NOV 24 1976  
7:30 AM

NOV 5 1976  
7:30 AM

400 WEST MADISON STREET - CHICAGO, ILLINOIS 60606

Whitehead & Kales Company

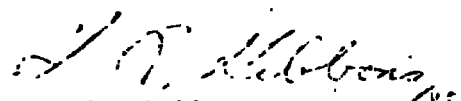
Page 2

November 2, 1976

requirements and specifications and to all specifications and standards for multi-level fully enclosed railcars established by the Association of American Railroads and the automobile industry; and Whitehead & Kales warrants the end doors and installation and each rack as modified to be free of any defect in material, workmanship or design which may develop under normal use and service within two (2) years from the date of delivery of such rack as modified, and agrees to correct such defects by repair or replacement FOB factory and such correction shall constitute fulfillment of Whitehead & Kales' obligation under this warranty. Whitehead & Kales will furnish to each buyer and Chicago and North Western Transportation Company a written confirmation of Trailer Train Company that Trailer Train Company has reviewed and approved the modifications. Also, Whitehead & Kales indemnifies each buyer and Chicago and North Western Transportation Company and will hold each of them harmless from any patent claim, suit, or cost on account of alleged infringement by the goods supplied or work done by Whitehead & Kales pursuant to this letter agreement.

Please sign and return the original of this letter, retaining the copy for your files.

Very truly yours,

  
G. R. Gibbons  
Assistant Vice President -  
Materials

JSJ:dk

Accepted:



Whitehead & Kales Company  
Manager of Sales

Title: Transportation Products Division

Date: November 24, 1976

It is understood and agreed that billing in increments of 41 completed car sets will be honored and, further, that such billings will be accepted on lesser quantities on the dates shown if work cannot be completed due to circumstances beyond our control. The billing dates will be on or about December 15, 1976, January 6, 1977, January 20, 1977 and February 3, 1977.

It is also understood that if production flow is interrupted or stopped due to inavailability of cars, the applicable charge at the time of work completion will apply (i.e. - \$4766.00 per car set for installations completed between March 1, 1977 and August 31, 1977).

# SCHEDULE OF STIPULATED LOSS VALUES

[For Equipment of the following type: New Radial End Door Assemblies  
and having a lease term of 32 quarters]

Last Day of Quarter Number	Stipulated loss Value (as percentage of Acquisition Cost)	Last Day of Quarter Number	Stipulated loss Value (as percentage of Acquisition Cost)
1	99.7%	16	77.1%
2	99.3	17	74.3
3	98.7	18	71.4
4	97.9	19	68.4
5	97.0	20	65.2
6	96.0	21	61.9
7	94.8	22	58.4
8	93.4	23	54.7
9	91.9	24	50.9
10	90.2	25	47.7
11	88.4	26	44.4
12	86.5	27	40.9
13	84.3	28	37.3
14	82.1	29	33.6
15	79.6	30	29.4
		31	25.7
		32 and thereafter	20.0

(During partial first Month:  
Stipulated Loss Value is 100.00%)

CHICAGO AND NORTH WESTERN  
TRANSPORTATION COMPANY

By J. M. Butler  
Authorized Signature J. M. Butler

Its President  
Title

CHANDLER LEASING CORPORATION  
(formerly PepsiCo Leasing Corporation)

By L. M. Christie  
Authorized Signature L. M. Christie

Its V.P.  
Title